

EMALAHLENI LOCAL MUNICIPALITY

MINUTES OF THE FIFTH ORDINARY COUNCIL MEETING

OF THE

EMALAHLENI LOCAL MUNICIPALITY

FOR THE 2018/2019 FINANCIAL YEAR

HELD ON

THURSDAY, 30 MAY 2019

AT 11H00

IN THE COUNCIL CHAMBER,

CACADU



EMALAHLENI LOCAL MUNICIPALITY
MINUTES OF THE FIFTH ORDINARY COUNCIL MEETING
2019.05.30



A. PRESENT (See Annexure)

Councillors

- | | | |
|----------------------|---|--------------|
| 1. CLLR NC KONI | - | HON. MAYOR |
| 2. CLLR DS KALOLO | - | HON. SPEAKER |
| 3. CLLR NC LALI | - | CHIEFWHIP |
| 4. CLLR T KULASHE | | |
| 5. CLLR S LIWANI | | |
| 6. CLLR BP TWALA | | |
| 7. CLLR M LIMBA | | |
| 8. CLLR N MTYOBILE | | |
| 9. CLLR T MRWEBI | | |
| 10. CLLR N KAMA | | |
| 11. CLLR X NJADU | | |
| 12. CLLR Z MOSHANI | | |
| 13. CLLR N TYULU | | |
| 14. CLLR T MONDILE | | |
| 15. CLLR L FATYELA | | |
| 16. CLLR P MAPETE | | |
| 17. CLLR K MJEZU | | |
| 18. CLLR MS QOMOYI | | |
| 19. CLLR N NQONO | | |
| 20. CLLR LN PAUL | | |
| 21. CLLR T NDLELA | | |
| 22. CLLR M MAKATESI | | |
| 23. CLLR S ZAMA | | |
| 24. CLLR N KRAQA | | |
| 25. CLLR F MTHANDEKI | | |
| 26. CLLR N JAMES | | |

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OFFICIALS

- | | | |
|-------------------|---|-------------------------------------|
| 1. MR N MNTUYEDWA | - | ACTING MUNICIPAL MANAGER |
| 2. MS N NYEZI | - | DIRECTOR: COMMUNITY SERVICES |
| 3. MR D NJILO | - | DIRECTOR: IDHS |
| 4. MR GP DE JAGER | - | CHIEF FINANCIAL OFFICER |
| 5. MS N NCEDE | - | ACTING DIRECTOR: PEDTA |
| 6. MS M SWAYENA | - | ACTING DIRECTOR: CORPORATE SERVICES |
| 7. MS A MAYISE | - | SENIOR ADMIN PRACTITIONER |
| 8. MR L NQUMKANA | - | COMMUNICATIONS PRACTITIONER |
| 9. MS A BAZA | - | COMMITTEE ADMIN |
| 10. MS B MANGALI | - | COMMITTEE ADMIN |

MR GP DE JAGER
ACTING MUNICIPAL MANAGER

2 Date

CLLR DS KALOLO
SPEAKER



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B. DELIBERATIONS

1. Opening and Welcome

The meeting was opened with a prayer by Councillor Z Moshani. The Speaker welcomed everybody present at the meeting. He

2. Notice convening the meeting

The Acting Municipal Manager, Mr GP De Jager read the notice convening the meeting.

3. Applications for leave of absence

The following applications for leave of absence were received:

Councillors

Cllr N Kraqa

Cllr L Fatyela

TD Sixishe

Cllr RZ Feni

Cllr CH Bobotyana

Traditional Leader

1. Inkosana Kamteni

Cllr X Njadu moved for the acceptance of applications for leave of absence and was seconded by Cllr M Makatesi.

4. Adoption of the agenda

Cllr X Njadu moved for the adoption of the agenda and was seconded by Cllr M Makatesi.

MR GP DE JAGER
ACTING MUNICIPAL MANAGER

3 Date

CLLR DS KALOLO
SPEAKER



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5. ANNOUNCEMENTS BY THE MAYOR

The Honourable Mayor made the following announcements:

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6. CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING

6.1 FOURTH ORDINARY COUNCIL MEETING HELD ON 30 APRIL 2019

The minutes of the Fourth Ordinary Council meeting held on 30 April 2019 were presented at the meeting.

Councillor T Kulashe moved for the confirmation of the minutes and was seconded by Councillor X Njadu.

7. Closure.

The meeting was officially closed at 14:15.



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RESOLUTIONS

The following reports were considered and resolved upon:

EMALAHLENI AUDIT COMMITTEE REPORT: QUARTERLY REPORT FOR THE PERIOD ENDED 31 MARCH 2019

Ordinary Council meeting: 30 MAY 2019

Reference No.: AUDC 23/05/2019

Resolution No: OCM 574/05/2019

The Chairperson of the Audit Committee presented the Emalahleni Audit Committee report for the period ended 31 March 2019.

Council Resolved:

- a) To take note of the report of the Audit Committee for the quarter ending 31 March 2019;
- b) To take note of the recommendations and resolutions made by the Audit Committee in the report

<u>Execution</u>	<u>deadline</u>
Municipal Manager	Immediately

Cllr X Njadu moved for the acceptance of the resolutions and was seconded by Cllr M Makatesi.

REPORT TO COUNCIL ON THE IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT SYSTEM 2018/2019
FINANCIAL YEAR – THIRD QUARTER REPORT FOR THE PERIOD ENDING 31ST MARCH 2019

Ordinary Council meeting: 30 April 2019

Reference No.: PAUDC 23/05/2019

Resolution No: OCM 575/05/2019

The Chairperson of the Audit Committee presented the report on the Implementation of the Performance Management System for the third quarter of the 2018/2019 financial year ending on 31 March 2019.

Council Resolved:

- (a) To note and approve the Performance Audit Committee report and recommendations for the quarter ending 31st March 2019.

<u>Execution</u>	<u>deadline</u>
Municipal Manager	Immediately

Cllr X Njadu moved for the acceptance of the resolution and was seconded by Cllr Makatesi.



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**OVERSIGHT ON UNFORESEEN AND UNAVOIDABLE AND UNAUTHORISED, IRREGULAR OR FRUITLESS AND
WASTEFUL EXPENDITURES FOR FIRST, SECOND AND THIRD QUARTER OF 2018/2019**

Ordinary Council meeting: 30 MAY 2019

Reference No.: MPAC 29/05/2019

Resolution No: OCM 576/05/2019

The Chairperson of the Municipal Public Accounts Committee presented the report on Oversight on unforeseen and unavoidable and unauthorized, irregular or fruitless and wasteful expenditure for the first, second and third quarter of 2018/2019 financial year.

Council Resolved:

- (a) A special meeting should be held before end of 2018/2019 financial year where all supporting documentation regarding payment to Department of Transport will be tabled.
- a) SA Post Office be invited to form part of the IGR sessions so as to be able to know the concerns that are affecting the municipality.
- b) Individual letters to all affected employees reminding them of prioritising their duties and becoming pro-active.
- c) To approve the write-off of the amount of R15 468 449 in respect of irregular expenditure as no fraud and corruption could be established that relates to the 2017/18 financial year as per report above under 1.2.
- d) Consequence management initiated by the municipality was noted and should continue.

<u>Execution</u>	<u>deadline</u>
Municipal Manager	Immediately

Cllr X Njadu moved for the acceptance of the resolution and was seconded by Cllr Makatesi.



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REPORT REQUESTING A DATE FOR THE POLICY REVIEW-2019/2020

Ordinary Council meeting: 30 May 2019

Reference No.:

Resolution No: OCM 577/05/2019

The Honourable Mayor presented the report on requesting a date for policy review for 2019/2020.

Council Resolved:

- a) The proposed changes as per the reviewed and newly developed policies to be presented to Councillors on Tuesday, 11 June 2019 at 10H00 in the Council Chamber.

<u>Execution</u>	<u>deadline</u>
Director: Corporate Services	Immediately

Cllr X Njadu moved for the acceptance of the resolution and was seconded by Cllr M Makatesi.

FINAL DRAFT REVIEWED IDP 2019/2020

Ordinary Council meeting: 30 May 2019

Reference No.: EXCO 14/05/2019

Resolution No: OCM 578/05/2019

The Honourable Mayor presented the Final Draft reviewed IDP for the 2019/2020 financial year.

Council Resolved:

- a) To accept and approve the final draft reviewed IDP for 2019/2020 financial year.

<u>Execution</u>	<u>deadline</u>
Director: PEDTA	Immediately

Cllr X Njadu moved for the acceptance of the resolution and was seconded by Cllr M Makatesi.



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FINAL DRAFT ANNUAL BUDGET 2019/2020

Ordinary Council meeting: 30 May 2019

Reference No.: EXCO 14/05/2019

Resolution No: OCM 579/05/2019

The Honourable Mayor presented the report on Emalahleni Local Municipality Women in Environment Forum.

Council Resolved:

- (a) To accept the 2019/20 draft Annual Budget as contained in the following tables:
1. Budget Summary as set out in Table A1
 2. Budgeted Financial Performance (Revenue and Expenditure by standard classification) as set out in Table A2
 3. Budgeted Financial Performance (Revenue and Expenditure by municipal vote) as set out in Table A3
 4. Budgeted Financial Performance (Revenue and Expenditure) as reflected in Table A4
 5. Capital expenditure by Vote, standard classification and Funding as set out in Table A5
 6. Budgeted Financial position as set out in Table A6
 7. Budgeted Cash Flows as set out in Table A7
 8. Cash backed Reserves and Accumulated surplus reconciliation as set out in Table A8
 9. Asset management as set out in Table A9
 10. Basic services delivery measurement reflected in Table A10
- (b) To accept that the total operating revenue budget amounts to **R 178,472** million for the 2019/20 financial year.
- © To accept that the total operating expenditure budget amounts to **R 194.876** million for the 2019/20 financial year
- (d) To accept that the operating budget before capital transfers is currently in a deficit to the a-mount of **R 16.403** million and the Total Budget surplus after accounting for Capital Transfers amounts to **R15.444** million.
- (e) To accept that the total Capital Budget for 2019/20 financial year amounts to **R 34.523** million.
- (f) To note that the construction of office buildings has been budgeted to be funded by internal funds.
- (g) To note the proposed tariff increases of:

<u>Execution</u>	<u>deadline</u>
Chief Financial Officer	Immediately



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11. Electricity increase by an average of 13.07% as per NERSA municipal tariff guidelines Consultation paper subject to approval by NERSA
12. Property rates were increase by 5.4% in line with CPIX. The table below reflects the new proposed property rates tariffs:

ASSESSMENT RATES		19/20
Residential		0.0072
Undeveloped land/Vacant land		0.0072
Business		0.0107
Government		0.0107
Agriculture/Farms		0.0018
Public Service Infrastructure		0.0000
Public Benefit Organisation		0.0018
Munipal properties		0.0000
Insufficient data		0.0000
Indigent subsidy will be based on market value of R 80 000 for property rates		

13. Refuse removal has been increased by 12% in pursuit of a cost reflective tariff that is to be phased in over the medium term.
14. All other service charges have been increased in line with the CPIX.

(See Annexure A: detailed tariff list)

h) To note that the following budget related policies have been reviewed but no amendments have been made to these Policies except for the SCM Management policy.

1. SUPPLY CHAIN MANGEMENT POLICY
2. VIREMENT POLICY
3. PROPERTY RATES POLICY
4. CREDIT CONTROL AND DEBT COLLECTION POLICY
5. INDIGENT POLICY
6. TARIFF POLICY
7. CASH AND INVESTMENT MANAGEMENT POLICY
8. BUDGET POLICY
9. ASSET AND DISPOSAL MANAGEMENT POLICY
10. PETTY CASH POLICY

- i) The position of Manager-Annual Financial Statements and Auditing be advertised on a fixed term 5 year contract funded from Finance Management Grant till the liquidity situation improves so that it can possibly be funded by Council own resources.
- j) The moratorium on the filling of new positions for 2019/20 be maintained due to the fact that employee cost is around 56 % and the liquidity situation of Council.



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Cllr X Njadu moved for the acceptance of the resolutions and was seconded by Cllr M Makatesi.

DRAFT PROCUREMENT PLAN FOR THE PERIOD OF 2019/2020

Ordinary Council meeting: 30 MAY 2019

Reference No.: EXCO 14/05/2019

Resolution No: OCM 580/05/2019

The Honourable Mayor presented the report on Draft Procurement Plan for the 2018/2019 financial year.

Council Resolved:

- a) To accept and approve the draft procurement plan for 2019/20 financial year.

<u>Execution</u>	<u>deadline</u>
Chief Financial Officer	Immediately

Cllr X Njadu for the acceptance of the resolution and was seconded by Cllr M Makatesi.

**REPORT ON THE DRAFT REVIEWED PERFORMANCE MANAGEMENT FRAMEWORK AND EMPLOYEE PERFORMANCE
MANAGEMENT POLICY AND PROCEDURE MANUAL – 2019 / 2020 FY**

Ordinary Council meeting: 30 MAY 2019

Reference No.: EXCO 14/05/2019

Resolution No: OCM 581/05/2019

The Acting Municipal Manager presented the report on the Draft Reviewed Performance Management Framework and Employee Performance Management Policy and Procedure Manual for the 2019/2020 financial year.

Council Resolved:

- a) To accept the Draft Reviewed ELM Performance Management Framework and the Draft Reviewed Employee Performance Management Policy and Procedure Manual.

<u>Execution</u>	<u>deadline</u>
Director PEDTA	Immediately

Cllr X Njadu moved for the acceptance of the resolution and was seconded by Cllr M Makatesi.



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AMENDMENT OF BANK SIGNATORIES

Ordinary Council meeting: 30 MAY 2019

Reference No.: EXCO 14/05/2019

Resolution No: OCM 582/05/2019

The Honourable Mayor presented the report on amendment of bank signatories.

Council Resolved:

- a) To approve that the former Municipal Manager, Dr SW Vatala be revoked as a signatory and as administrator of all of the municipal bank accounts
- b) To appoint the Acting Municipal Manager, Mr GP De Jager, as the administrator of all of the municipal bank accounts.
- c) To approve that Mr Andre Zindlu remains one of the bank signatories to all banking accounts of the municipal banking accounts.

<u>Execution</u>	<u>deadline</u>
Chief Financial Officer	Immediately

Cllr X Njadu moved for the acceptance of the resolution and was seconded by Cllr M Makatesi.

MR GP DE JAGER
ACTING MUNICIPAL MANAGER

11 Date

CLLR DS KALOLO
SPEAKER



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**REPORT ON THE COMPOSITION OF PANEL MEMBERS FOR SHORTLISTING AND INTERVIEW OF THE MUNICIPAL
MANAGER, DIRECTOR CORPORATE SERVICES AND DIRECTOR COMMUNITY SERVICES**

Ordinary Council meeting: 30 MAY 2019

Reference No.: EXCO 14/05/2019

Resolution No: OCM 583/05/2019

The Honourable Mayor presented the report on the Composition of Panel members for Shortlisting and Interview of the Municipal Manager, Director: Corporate Services and Director: Community Services.

Council Resolved:

- a) The municipal council must appoint members as indicated in line with the Gazette.
- b) The panel must consist of at least three and not more than five members.
- c) The Mayor to be the Chairperson of the panel, council to appoint the councillor who will be forming part of the panel for the Municipal Manager.
- d) The Portfolio Head be part of the panel for selection of the Directors.
- e) One person from SALGA, COGTA and Chris Hani District Municipality who has expertise or experience in the area of the position be invited be form part of the selection panel for Municipal Manager and Directors.

<u>Execution</u>	<u>deadline</u>
Director Corporate Services	Immediately

Cllr X Njadu moved for the acceptance of the resolutions and was seconded by Cllr M Makatesi.

MR GP DE JAGER
ACTING MUNICIPAL MANAGER

12 Date

CLLR DS KALOLO
SPEAKER